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Medicare BBABRA Analysis							
Medicare Settlement Pivot Tables - Medicare Payments							
Exhibit 5 Source Data 2							
FISCAL YR 1997							
Sum of VALUE DATA DSCRIP							
10 FAC		Medicare A Tu Liab	Medicare B Tu Liab	Medicare A Tu Liab - SNF	Medicare A Ttl Liab - Subprovider	Medicare B Ttl Liab - Subprovider	Grand Total
11 Allegheny General Hospital	\$	131,196,614	\$ 8,841,615	\$ 6,325,611	\$ 4,044,591	\$	\$ 150,408,431
12 AUH, Bucks County		8,992,750	368,859		2,114,533		11,476,142
13 AUH, City Ave & Parkview		37,228,083	2,115,264	1,886,067	1,914,935	548	43,144,897
14 AUH, Elkins Park		11,871,995	368,642		5,723,685		17,964,322
15 AUH, Graduate		57,419,423	1,989,477	1,426,646			60,835,546
16 AUH, Hahnemann		103,145,187	3,926,311		1,430,029	13,188	108,514,715
17 AUH, MCP		65,822,625	1,490,302		3,186,770		70,499,697
18 AUMC, Allegheny Valley		16,694,505	1,165,875	2,034,618	1,747,946		21,642,944
19 AUMC, Canonsburg		10,031,225	1,001,522	1,856,537			12,889,284
20 Forbes Regional Hospital		17,413,346	1,122,764		1,372,370		19,908,480
21 Mount Sinai		288,593	116,775	1,432,828	6,672,127		8,510,323
22 Rancocas NJ		22,567,410	1,642,362		1,687,614		25,897,386
23 St. Christopher's Children		729,094	6,933				736,027
24 Grand Total	\$	483,400,850	\$ 24,156,701	\$ 14,962,307	\$ 29,894,600	\$ 13,736	\$ 552,428,194
Sources:							
HCRIS Medicare Cost Report data files; BDC Advisors, LLC analysis (g:\021303).							

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	MEDICAID IMPACT - 1996 Welfare Reform													
2														
3	OBJECTIVE													
4														
5	Determine the dollar impact of reduction in Medicaid revenue due to impact of 1996 Welfare Reform.													
6														
7	METHODOLOGY													
8														
9	Identify portion of Medicaid population who lose Medicaid coverage as a result of Welfare Reform (i.e., Loss of Medicaid, 'leavers')													
10	Identify Medicaid 'leavers' who remain uninsured after leaving Medicaid (i.e., 'Not-Insured')													
11	Identify portion of Not-Insured who continue to seek care (i.e., 'Seek care')													
12	Adjust for incremental commercial reimbursement on newly insured cases													
13														
14	RESULT SUMMARY													
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Est. EARNINGS Impact (\$000)		Negative Annual Impact (\$000s)	
		FY1997	FY1998
By Facility			
DVOG	AUH, Bucks County	\$ (405)	\$ (408)
DVOG	AUH, Elkins Park	(185)	(187)
DVOG	AUH, Hahnemann	(1,794)	(1,809)
DVOG	AUH, MCP	(2,370)	(2,390)
DVOG	St. Christopher's Children	(9)	(9)
Total		\$ (4,744)	\$ (4,783)
Implementation Timing Adjustment			
Net impact, after timing adjustment		\$ (2,562)	\$ (4,783)
		54.0%	100.0%
			100.0%
			(4,823)

Timing Adjustment		Distribution of Enrollees, new vs. existing		Effective date		1997 adj factor	
New	8%	6/17/1996	100%				
Existing	92%	No later than 6/30/97	50%				
	100%	weighted avg	54%				

1997 REVENUE Impact Comparison with AHERF Internal Analysis (\$000)		Prospective (AHERF-prepared)		Retrospective	
		HAP Coalition	Urban HC	State	Market Adjusted
DVOG		\$ (14,475)	\$ (16,025)	\$ (16,850)	\$ (4,744)

CALCULATION DETAIL

Est. Impacted NPR (\$000s)		FY1997	FY1998	FY1999	Source / Notes:
DVOG	AUH, Bucks County	\$ (1,350)			Hosp Assoc of PA ("HAP") and Urban Coalition of PA estimate
DVOG	AUH, Elkins Park	(550)			Hosp Assoc of PA and Urban Coalition of PA estimate
DVOG	AUH, Hahnemann	(5,975)			HAP, Urban Coalition average and state of PA estimates average
DVOG	AUH, MCP	(7,892)			HAP, Urban Coalition average and state of PA estimates average
DVOG	St. Christopher's Children	(17)			HAP, Urban Coalition average and state of PA estimates average
Total		\$ (15,783)			
Avg Medicaid payment per case (6)			\$ 7,922		
Estimated Impacted cases			1,992		

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1	MEDICAID IMPACT - 1996 Welfare Reform													
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'Health Care and Welfare: An Update of Findings from State-Level Leaver Studies',
Center on Budget and Policy Priorities, by Jocelyn Guyer, August 16, 2000

'Medicaid in Pennsylvania', Peg J. Dierkers, Deputy Secretary for Medical
Assistance Programs, Department of Public Welfare, 3/2000

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Our assumption is that the Medicaid rate as a percent of total cost is equal to our less
than variable cost as a percent of total cost, and no additional impact would be
realized.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
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Sources / Notes:
 (1) June 30, 1998 AHERF Patient Financial Services report.
 (2) June 30, 1997 Year End AHERF Financial Reporting Summary.
 (3) "Health Care and Welfare: An Update of Findings from State-Level Leaver Studies", Center on Budget and Policy Priorities, by Jocelyn Guyer, August 16, 2000.
 (4) "Medicaid in Pennsylvania", Peg J. Dierkes, Deputy Secretary for Medical Assistance Programs, Department of Public Welfare, 3/2000.
 (5) 3/1996 memo from Stephen H. Spargo summarizing impact of General Assistance Cuts on AHERF facilities.
 (6) Based on 1997 AHERF-East Medicaid collections (YE Financial Reporting Summary, 7/1/96 (PR-SEC 00979)) and AHERF East Medicaid discharges (AHERF Financial Reporting Summary, June 1997 (DB-CM-10-00370)).

A B C D E F G H I J K L M N
Malpractice Insurance Cost Impact

Exhibit 7

Determine the increase in CAT fund and malpractice premiums over 1996 base line

METHODOLOGY

\$ Impact = Actual CAT Fund increase in each year 1997, 1998 and estimated 1999 over actual 1996

RESULT SUMMARY

Est. AHERF Earning Impact (\$000)	1994	1995	Annual Negative Impact 1996	1997	1998	1999
By Facility						
AGH						
Allegheny General Hospital					(4,341)	(4,249)
AUMC, Allegheny Valley			\$	(1,453)	(170)	(165)
AUMC, Canonsburg				(129)	(89)	(88)
AUMC, Forbes Regional Hospital				(254)	(236)	(236)
Centennial				(85)	(256)	(249)
Centennial				(129)	(448)	(436)
DVOG				(189)	(429)	(420)
DVOG				(566)	(463)	(453)
DVOG				(701)	(2,267)	(2,173)
DVOG				(1,738)	(1,701)	(1,701)
DVOG				(435)	(1,161)	(1,136)
By Obligated Group						
AGH						
AUMC				(1,453)	(4,341)	(4,249)
Centennial				(384)	(482)	(469)
DVOG				(214)	(704)	(685)
AHERF Total				(2,057)	(6,058)	(5,883)

CALCULATION DETAIL

	CY1994	CY1995	CY1996	CY1997	CY1998	CY1999	Source / Notes
CAT Fund Premiums (CY)							
AHERF base entities (a)	\$ 3,546,000	\$ 9,644,000	\$ 4,811,000	\$ 15,532,000	\$ 15,187,000	\$ 15,187,000	Source: AHERF letter to Governor Ridge RE: CAT Fund increase, 12/97
% increase		172%	-60%	223%	-2%	0%	Trend cycle would indicate a 1999 premium increase, held constant to be conservative
AHERF entities added FY95 (b)		5,798,000	3,339,000	6,930,000	6,741,000	6,741,000	
% increase			-42%	108%	-3%	0%	
AHERF entities added FY97 (c)		2,627,519	1,386,755	3,822,000	3,759,000	3,759,000	1995 Imputed based on 1995 / 1996 relationship of base (a) and FY95 entities (b)
% increase			-47%	178%	-2%	0%	
Total AHERF CAT Fund Premium	\$ 3,546,000	\$ 15,442,000	\$ 9,538,755	\$ 26,284,000	\$ 25,687,000	\$ 25,687,000	
CAT Fund Premiums (FY)							
AHERF base entities (a)	\$ 6,595,000	\$ 7,227,500	\$ 10,171,500	\$ 15,359,500	\$ 15,187,000	\$ 15,187,000	Conversion from CY to FY based on straight average (last six months of prior CY plus first six months of current calendar year)
% increase		10%	41%	51%	0%	0%	
AHERF entities added FY95 (b)	\$ 5,798,000	\$ 4,568,500	\$ 5,134,500	\$ 6,835,500	\$ 6,741,000	\$ 6,741,000	
% increase		-21%	12%	33%	0%	0%	
AHERF entities added FY97 (c)	\$ 2,007,137	\$ 2,604,378	\$ 3,790,500	\$ 3,759,000	\$ 3,759,000	\$ 3,759,000	
% increase			30%	46%	0%	0%	
Total AHERF CAT Fund Premium	\$ -	\$ 12,393,000	\$ 13,803,137	\$ 17,910,378	\$ 25,985,500	\$ 25,687,000	